Introduced by Senator Simitian

February 24, 2006

An act to add Section 9250.6 to the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 1611, as amended, Simitian. Congestion management fees.

Existing law provides for creation of congestion management agencies in various counties with specified powers and duties relative to management of transportation congestion. Existing law provides for the imposition by air districts and certain other local agencies of fees on the registration of motor vehicles in certain areas of the state that are in addition to the basic vehicle registration fee collected by the Department of Motor Vehicles.

This bill would authorize a congestion management agency—to impose, or where there is no congestion management agency, the board of supervisors, to place a majority vote ballot measure before the voters of a county authorizing the imposition of an annual fee of up to—\$20 \$25 on each motor vehicle registered within the county for transportation projects and programs with a relationship or benefit to the persons paying the fee. The bill would require—a specific transportation program with performance measures and a budget to be adopted before the fee is imposed. The bill would require the resolution imposing the fee to incorporate the specific transportation program to be funded by the fee and specified findings of fact. The bill would require the resolution to be adopted by a 2/3 vote of the governing board. The bill would require the agency to have an

SB 1611 -2-

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independent audit conducted annually on the program and to provide a specified report to the Legislature the ballot measure resolution to be adopted by a majority vote of the governing board of the congestion management agency or the board of supervisors, as appropriate, at a noticed public hearing and would also require the resolution to contain a specified finding of fact. The bill would require the Department of Motor Vehicles, if requested, to collect the fee and distribute the proceeds, after deduction of specified administrative costs, to the agency or the board of supervisors, as appropriate, and would enact other related provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 9250.6 is added to the Vehicle Code, to 2 read:

9250.6. (a) A county congestion management agency created pursuant to Chapter 2.6 (commencing with Section 65088) of Division 1 of Title 7 of the Government Code may, impose an annual fee of up to twenty dollars (\$20) on each motor vehicle registered in the county, with the net revenues to be used for transportation-related programs that have a relationship or benefit to the persons that pay the fee, including the provision of required matching funds for funding made available for transportation from state general obligation bonds. The agency may impose the fee only if the governing board adopts a resolution providing both for the fee and the specific transportation program in subdivision (b). The resolution shall also contain a finding of fact that the projects and programs to be funded by the fee have a relationship or benefit to the persons who will be paying the fee. Adoption of the fee, the program, and the finding of fact shall all require a two-thirds vote of the governing board at a noticed public hearing.

- (b) Prior to imposition of the fee, the governing board shall adopt a specific program for expenditure of fee revenues, with performance measures and a budget. The program shall be adopted by the governing board at a noticed public hearing.
- (c) The congestion management agency shall arrange for an independent audit to be conducted annually on the specific

-3- SB 1611

program adopted pursuant to subdivision (b), with the auditor's review and report to be provided annually to the governing board at a noticed public hearing.

- (d) The congestion management agency shall provide a report to the Legislature on the specific program adopted pursuant to subdivision (b). The report shall include, but need not be limited to, an evaluation of the impact and performance improvements funded by the fee and the cost effectiveness of the program. Division 1 of Title 7 of the Government Code, or where there is no county congestion management agency, the board of supervisors, may place a majority vote ballot measure before the voters of a county to authorize an increase in the vehicle registration fee for transportation-related projects programs. The ballot measure resolution shall be adopted by a majority vote of the governing board of a county congestion management agency, or where there is no county congestion management agency, the board of supervisors, at a noticed public hearing. The resolution shall also contain a finding of fact that the projects and programs to be funded by the fee have a relationship or benefit to the persons who will be paying the fee. Adoption of the resolution and the finding of fact shall all require a majority vote of the governing board or the board of supervisors, as appropriate, at a noticed public hearing.
- (b) Pursuant to a ballot measure adopted under subdivision (a), the voters of a county may impose an annual fee of up to twenty-five dollars (\$25) on each motor vehicle registered in the county, with the net revenues to be used for transportation-related programs that have a relationship or benefit to the persons that pay the fee, including, but not limited to, the provision of required matching funds for funding made available for transportation from state general obligation bonds, congestion mitigation, and pollution prevention.

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(c) The department shall, if requested by a congestion management agency or the board of supervisors, as appropriate, collect the fee-imposed approved by the voters pursuant to this section upon the registration or renewal of registration of any motor vehicle registered in the county, except those vehicles that are expressly exempt under this code from the payment of registration fees. The agency or the board of supervisors, as

SB 1611 —4—

- 1 appropriate, shall pay for the initial setup and programming
- 2 costs identified by the department through a direct contract with
- 3 the department. Any direct contract payment shall be repaid, with
- 4 no restriction on the use of funds, to the agency or the board of
- 5 supervisors, as appropriate, as part of the initial net revenues
- 6 distributed. After deducting all nonreimbursed costs incurred by
- 7 the department pursuant to this section, the department shall
- 8 distribute the net revenues to the agency or the board of
- 9 supervisors, as appropriate.